



## Axis Bank

STOCK INFO. BLOOMBERG  
BSE Sensex: 9,406 AXSB IN  
REUTERS CODE  
S&P CNX: 2,873 AXBK.BO

9 January 2009

Buy

Previous Recommendation: Buy

Rs486

		YEAR	NET INCOME	PAT	EPS	EPS	P/E	P/BV	CAR	ROAE	ROAA	P/ABV
		END	(RS M)	(RS M)	(RS)	GROWTH (%)	(X)	(X)	(%)	(%)	(%)	(X)
Equity Shares (m)	357.7	3/07A	24,784	6,590	23.4	34.5	20.8	4.0	11.6	21.0	1.1	4.2
52-Week Range	1,291/363	3/08A	43,808	10,710	29.9	28.0	16.2	2.0	13.7	17.6	1.2	2.0
1,6,12 Rel.Perf.(%)	5/5/-1	3/09E	63,185	16,042	44.8	49.8	10.8	1.7	12.5	17.1	1.3	1.8
M.Cap. (Rs b)	173.8	3/10E	77,860	17,558	49.1	9.5	9.9	1.5	10.8	16.4	1.1	1.7
M.Cap. (US\$ b)	3.6											

- For 3QFY09, Axis Bank posted a PAT of Rs5b, above our estimate of Rs4b, driven by higher treasury gains and lower provisions. NII growth of 24% was lower than our estimate of 29%.
- Loans grew 55% YoY to Rs753b (9% QoQ), while deposits grew 54% to Rs1,057b (3% QoQ). CASA growth slowed down: savings accounts grew 39% YoY while current accounts grew 20% YoY. CASA ratio fell by 230bp QoQ and 730bp YoY to 38%. CASA deposits declined 3% QoQ in absolute terms.
- Reported NIM fell 39bp QoQ and 79bp YoY to 3.12%, as cost of funds increased by 67bp QoQ to 6.9%. Liquidity crunch in October and November 2008 has impacted margins as it continues to be highly dependant on wholesale term deposits, which accounts for 47% of total deposits. The management's decision to grow assets in 3QFY09 despite lower CASA deposits impacted margins.
- Fee income growth is strong at 51% YoY, backed by corporate and capital market related fees. Retail fee growth slowed down to 21% YoY.
- Asset quality is robust – gross NPAs at 0.9% and net NPAs at 0.4%. Tier-I CAR improved to 9.5% in 3QFY09 from 9.2% in 2QFY09 due to strong earnings and benefit of RBI relaxation on risk weights on certain asset classes.
- Post 3QFY09 results, we have increased our EPS estimate for FY09 by 3%; our estimates for FY10 remain unchanged. The stock trades at 1.7x FY09E and 1.5x FY10E BV, and 11x FY09E and 10x FY10E EPS. We reiterate **Buy**.

Y/E MARCH	QUARTERLY PERFORMANCE (RS MILLION)									
	FY08				FY09				FY08	FY09E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Interest Income	15,111	16,765	18,023	20,154	22,664	25,450	29,848	31,029	70,053	108,991
Interest Expense	10,901	10,878	10,550	11,870	14,560	16,316	20,551	20,888	44,200	72,314
<b>Net Interest Income</b>	<b>4,209</b>	<b>5,887</b>	<b>7,473</b>	<b>8,284</b>	<b>8,105</b>	<b>9,134</b>	<b>9,297</b>	<b>10,142</b>	<b>25,854</b>	<b>36,677</b>
Y-o-Y Growth (%)	41.3	72.9	91.1	88.7	92.5	55.2	24.4	22.4	76.1	41.9
Other Income	3,682	3,829	4,879	5,565	6,248	6,944	7,322	5,994	17,955	26,508
<b>Net Income</b>	<b>7,892</b>	<b>9,716</b>	<b>12,352</b>	<b>13,849</b>	<b>14,353</b>	<b>16,078</b>	<b>16,619</b>	<b>16,136</b>	<b>43,808</b>	<b>63,185</b>
Operating Expenses	4,212	5,087	5,630	6,621	6,329	7,334	7,522	8,622	21,549	29,808
<b>Operating Profit</b>	<b>3,679</b>	<b>4,629</b>	<b>6,723</b>	<b>7,228</b>	<b>8,023</b>	<b>8,744</b>	<b>9,096</b>	<b>7,513</b>	<b>22,259</b>	<b>33,376</b>
Y-o-Y Growth (%)	29.9	85.3	101.4	82.1	118.1	88.9	35.3	3.9	76.1	49.9
Provision & Contingencies	1,009	1,145	2,001	1,642	2,967	2,558	1,320	2,226	5,794	9,071
<b>Profit before Tax</b>	<b>2,670</b>	<b>3,484</b>	<b>4,722</b>	<b>5,586</b>	<b>5,056</b>	<b>6,186</b>	<b>7,777</b>	<b>5,287</b>	<b>16,465</b>	<b>24,306</b>
Tax Provisions	921	1,206	1,654	1,972	1,754	2,157	2,768	1,584	5,755	8,264
<b>Net Profit</b>	<b>1,750</b>	<b>2,278</b>	<b>3,068</b>	<b>3,614</b>	<b>3,302</b>	<b>4,029</b>	<b>5,009</b>	<b>3,703</b>	<b>10,710</b>	<b>16,042</b>
Y-o-Y Growth (%)	45.2	60.5	66.2	70.5	88.7	76.8	63.2	2.5	62.5	49.8
Int Exp/ Int Earned (%)	72.1	64.9	58.5	58.9	64.2	64.1	68.9	67.3	63.1	66.3
Other Income / Net Income (%)	46.7	39.4	39.5	40.2	43.5	43.2	44.1	37.1	41.0	42.0
Cost to Income Ratio (%)	53.4	52.4	45.6	47.8	44.1	45.6	45.3	53.4	49.2	47.2
Provisions/Operating Profit (%)	27.4	24.7	29.8	22.7	37.0	29.3	14.5	29.6	26.0	27.2
Tax Rate (%)	34.5	34.6	35.0	35.3	34.7	34.9	35.6	30.0	35.0	34.0

E: MOST Estimates

## RESULTS ANALYSIS (RS M)

	3QFY09	3QFY08	YOY GR. %	2QFY09	QOQ GR. %	FY08	FY09E	FY10E
Interest Income	29,848	18,023	66	25,451	17	70,053	108,991	133,106
Interest Expense	20,551	10,550	95	16,316	26	44,200	72,314	87,246
<b>Net Interest Income (NII)</b>	<b>9,297</b>	<b>7,473</b>	<b>24</b>	<b>9,135</b>	<b>2</b>	<b>25,854</b>	<b>36,677</b>	<b>45,860</b>
Other Income	7,322	4,879	50	6,944	5	17,955	26,508	32,000
- Fees and others	5,239	3,485	50	5,704	(8)	13,678	21,403	25,724
- Treasury Income (including forex)	2,082	1,394	49	1,240	68	4,277	5,105	6,276
<b>Net Income</b>	<b>16,619</b>	<b>12,352</b>	<b>35</b>	<b>16,079</b>	<b>3</b>	<b>43,808</b>	<b>63,185</b>	<b>77,860</b>
Total Operating Costs	7,522	5,630	34	7,334	3	21,549	29,808	35,751
- Staff Costs	2,661	1,735	53	2,604	2	6,703	10,126	12,388
- Other Opex	4,862	3,895	25	4,730	3	14,847	19,683	23,363
<b>Operating Profit</b>	<b>9,096</b>	<b>6,723</b>	<b>35</b>	<b>8,744</b>	<b>4</b>	<b>22,259</b>	<b>33,376</b>	<b>42,109</b>
Provisions	1,320	2,001	(34)	2,558	(48)	5,794	9,071	15,506
<b>PBT</b>	<b>7,777</b>	<b>4,722</b>	<b>65</b>	<b>6,187</b>	<b>26</b>	<b>16,465</b>	<b>24,306</b>	<b>26,603</b>
Tax	2,768	1,654	67	2,157	28	5,755	8,264	9,045
Tax payout %	36	35		35		35	34	34
<b>PAT</b>	<b>5,009</b>	<b>3,068</b>	<b>63</b>	<b>4,029</b>	<b>24</b>	<b>10,710</b>	<b>16,042</b>	<b>17,558</b>
<b>Deposits</b>	<b>1,057,160</b>	<b>685,510</b>	<b>54</b>	<b>1,028,850</b>	<b>3</b>	<b>876,262</b>	<b>1,139,141</b>	<b>1,458,100</b>
<b>CASA Ratio %</b>	<b>38</b>	<b>45</b>		<b>40</b>		<b>46</b>	<b>40</b>	<b>40</b>
<b>Loans</b>	<b>753,280</b>	<b>486,320</b>	<b>55</b>	<b>688,530</b>	<b>9</b>	<b>596,610</b>	<b>811,390</b>	<b>1,038,579</b>
- Retail	156,160	120,090	30	167,700	(7)			
- SME	141,450	90,080	57	131,090	8			
<b>Gross NPA %</b>	<b>0.9</b>	<b>0.8</b>		<b>0.9</b>		<b>0.7</b>	<b>1.6</b>	<b>3.0</b>
Net NPA %	0.4	0.4		0.4		0.4	0.7	1.4
Yields on Advances %*	11.6	10.5		10.9		9.8	10.9	10.3
Cost of Funds %**	6.9	5.7		6.2		6.0	6.3	6.3
<b>NIM %**</b>	<b>3.1</b>	<b>3.9</b>		<b>3.5</b>		<b>3.4</b>	<b>3.5</b>	<b>3.4</b>
Tier I CAR %	9.5	12.6		9.2		10.2	8.3	7.2
Tier II CAR %	4.4	4.3		3.0		3.6	4.1	3.6
<b>Branches</b>	<b>749</b>	<b>608</b>		<b>729</b>		<b>671</b>	<b>825</b>	<b>950</b>
ATMs	3,171	2,595		3,082		2,764		

\* Calculated, \*\* Reported

**Comments**

**Balance sheet growth strong:** Loans grew 55% YoY to Rs753b (9% QoQ), while deposits grew 54% YoY to Rs1,057b (3% QoQ). SME loans grew 57% YoY (~19% of loan book), retail loans grew 30% YoY (~21% of loan book), agri loan book grew 52% YoY (7.5% of loan book). Large and mid corporate loans (including international loan book of US\$1.7b) grew 67% to Rs400b and account for 53% of the loan book. CASA growth slowed down: savings accounts grew 39% YoY while current accounts grew 20% YoY. CASA ratio fell by 230bp QoQ and 730bp YoY to 38%.

Due to strong loan book growth in 4QFY08, YoY growth numbers are appearing skewed. When compared with March 2008 levels, Axis Bank's loan growth is 26% (v/s industry growth of 13%). It has added Rs157b of loans during 9MFY09 as compared to Rs118b added in 9MFY08. The management expects loan book growth of 50%+ to taper down to 35-40% YoY by March 2009 - partly due to high base impact.

**Margins decline due to fast growth; expect improvement going forward:** Reported NIM fell 39bp QoQ and 79bp YoY to 3.12%, as cost of funds increased (up 67bp QoQ to 6.9%). CASA deposits declined 3% QoQ in absolute terms. Liquidity crunch in October and November 2008 has impacted margins – the bank is highly dependant on wholesale term deposits (47% of total deposits). The management's decision to grow assets fast in 3QFY09 (despite lower CASA deposits) has impacted margins.

Loan book growth during the quarter was fully funded through term deposits (as CASA deposits declined 3% QoQ); this led to a sharp rise in cost of funds. We expect Axis Bank to be a large beneficiary of the sharp fall in wholesale deposits rates in CY09. Axis Bank did not reduce its PLR during 3QFY09, as margin pressures were evident. Margins should expand in 4QFY09 due to CRR release benefit and lower deposit rates.

**Fee income growth commendable, however retail fees slowing down:** Fee income (excluding treasury/forex fees) grew 51% YoY. Growth in retail fees slowed down to 21% YoY, as third party distribution fees were almost flat. Large and mid corporate fees grew 73% YoY. Capital market related fees (which are lumpy in nature, but have been consistent for the last three quarters) grew 2.5x YoY to Rs1b, creating a spike in overall fee income growth. Treasury profits (including treasury/forex fees) increased 49% YoY to Rs2.1b. We have modeled fee income growth of 20% in FY10 to factor in a decline in capital market fees and slowdown in other fees.

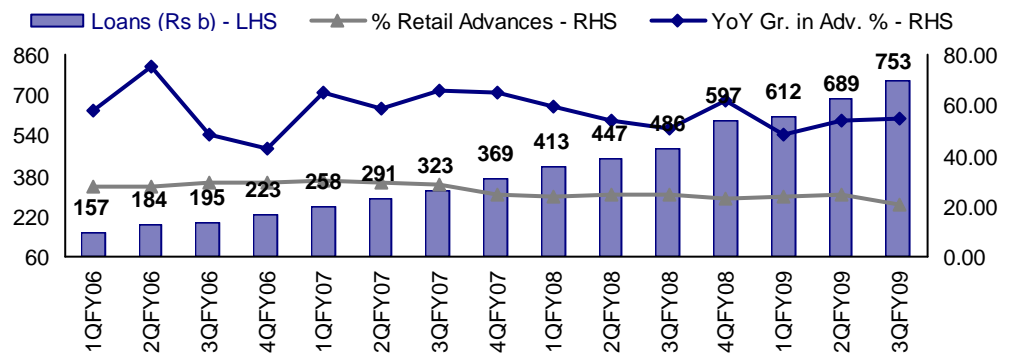
**Asset quality robust with gross NPAs at 0.9%:** Asset quality is robust – gross NPAs at 0.9% and net NPAs at 0.4%. In absolute terms, gross NPAs increased 11% QoQ and net NPAs increased 2% QoQ. There is a gradual shift in loan portfolio mix towards higher rating assets. The proportion of "A" and above rated large and mid corporate loans has increased from 77% in December 2007 and 81% in March 2008 to 82% in September 2008. Similarly, the proportion of SME loans in SME 4-8 (lower quality buckets) rating has declined from 29% in December 2007 and March 2008 to 21% in September 2008.

Provisions in 3QFY09 decreased 34% YoY to Rs1.3b. Despite providing for loan losses at Rs2.8b in 3QFY09, MTM gains on investments of Rs1.5b led to lower overall provisions. We are factoring in higher NPA provisions for Axis Bank (expect provisions to rise 100% in FY09 and another 86% in FY10). Our estimates also factor in a higher delinquency rate of 2% and 3.5% in FY09 and FY10, respectively v/s 1% in FY08. We have factored in gross NPA of Rs31b (4x from current level) or 3% in FY10 (0.9% currently). We have modeled credit cost (including standard asset provisions) rising to 1.9% in FY10 from 1.4% in FY08.

**Maintain Buy:** Over the last few years, Axis Bank has demonstrated its ability to grow at a strong pace across all parameters. We are impressed especially by its CASA growth (CAGR of 50% over FY04-08), strong traction in fee income (CAGR of 56% over FY04-08) and clean asset quality. Post 3QFY09 results, we have increased our EPS estimate for FY09 by 3%; our estimates for FY10 remain unchanged. We estimate book value at Rs280/share for FY09 and Rs318/share for FY10. We expect EPS to be Rs45 in FY09 and Rs49 in FY10. The stock trades at 1.7x FY09E and 1.5x FY10E BV, and 11x FY09E and 10x FY10E EPS. We reiterate **Buy**.

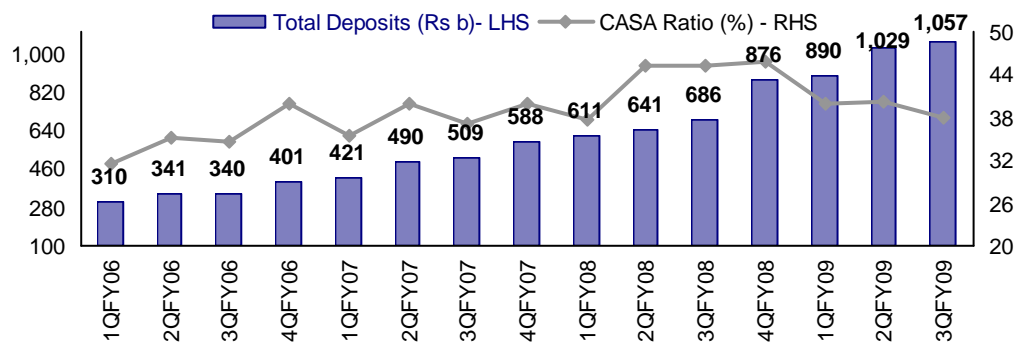
ASSET GROWTH STRONG

*SME (up 57%), large and mid corporate (up 67%) loans are driving loan book growth*

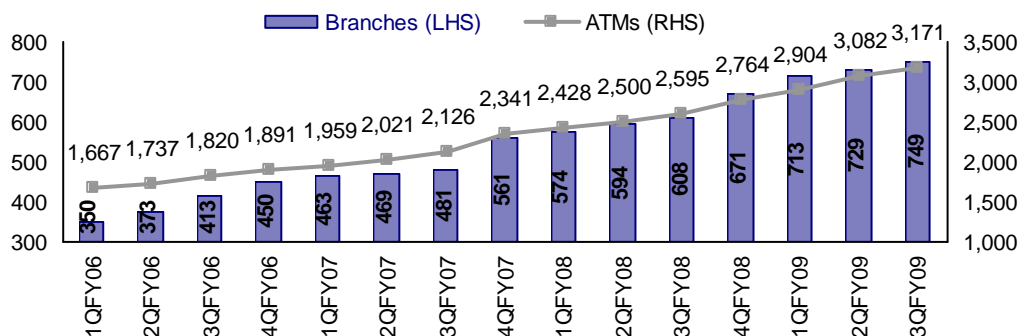


CASA RATIO IMPACTED

*CASA deposit growth slowed down due to high interest rate and tight liquidity*



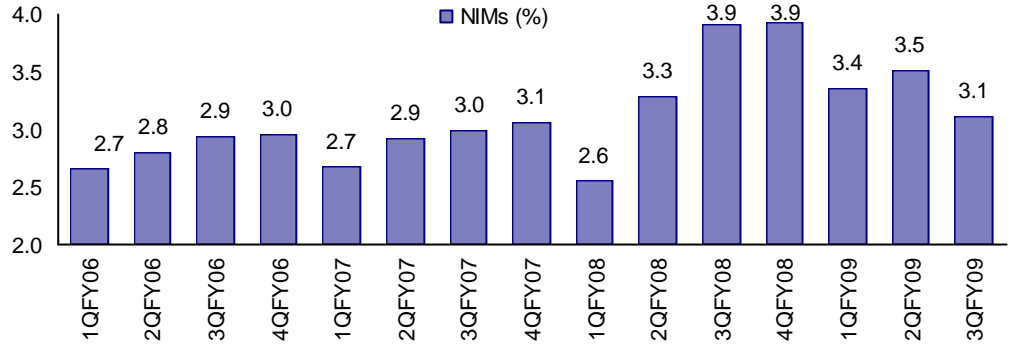
FRANCHISE BUILD UP CONTINUES



Source: Company/Motilal Oswal Securities

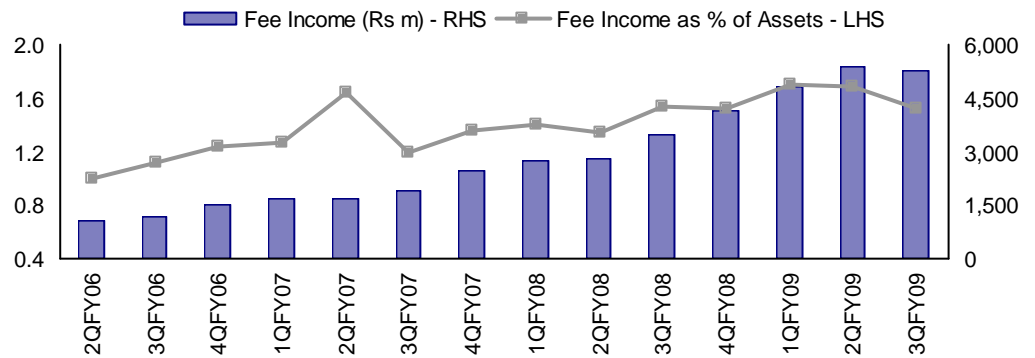
MARGINS DECLINE SHARPLY

Fast asset growth funded by term deposits impacted margins

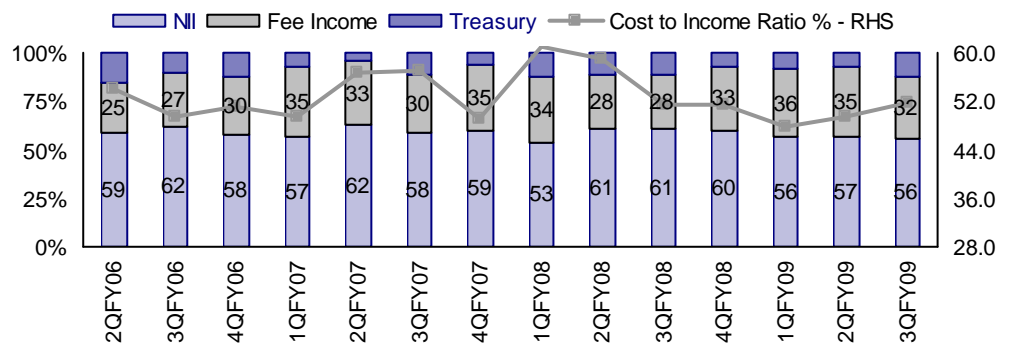


CORE FEE INCOME IS SUSTAINING HIGH TRACTION - UP 51% IN 3QFY09

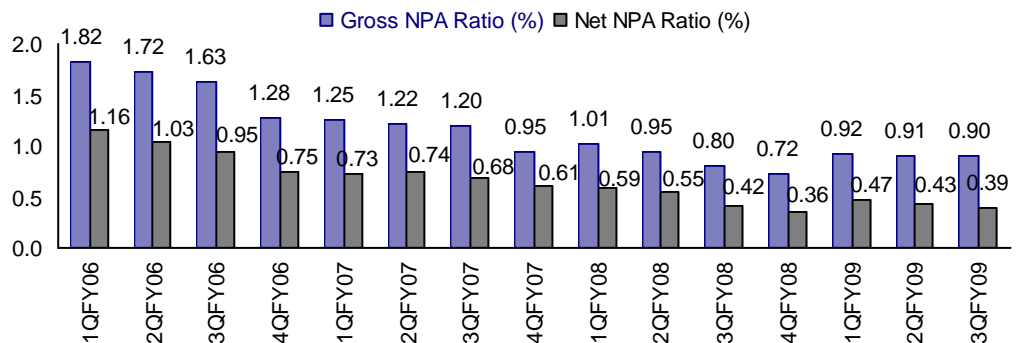
Corporate banking and capital markets were drivers of fees during 3QFY09; retail segment slowed down



DIVERSIFIED REVENUE STREAMS



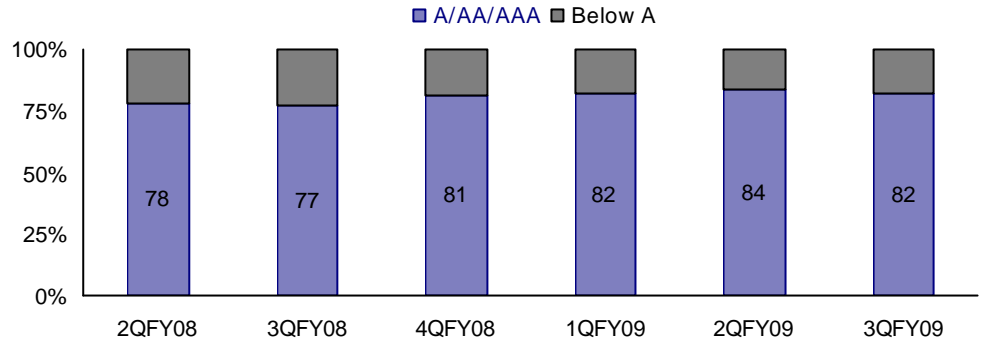
ASSET QUALITY ROBUST



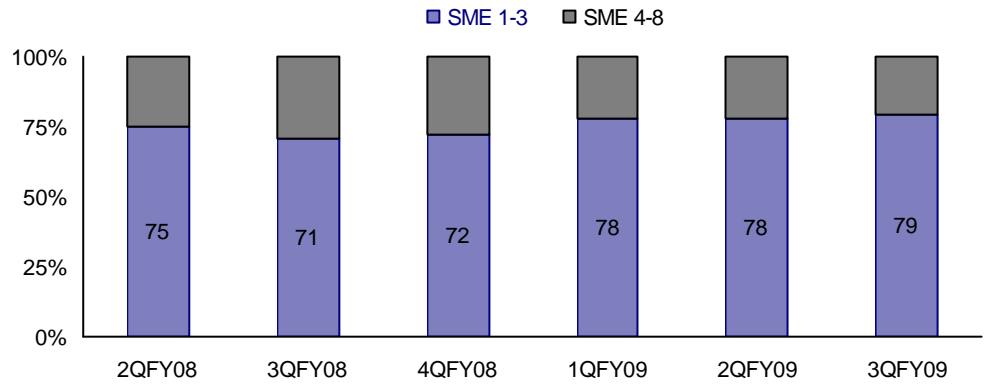
Source: Company/Motilal Oswal Securities

*Axis Bank is shifting loan book composition in favor of safer assets*

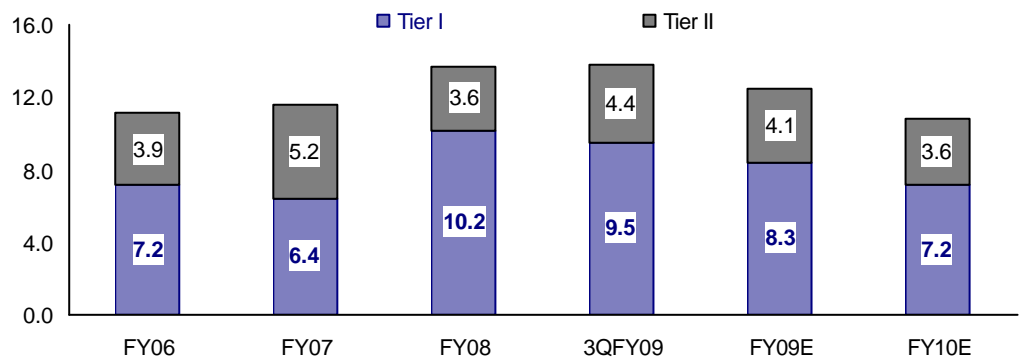
LOAN BOOK COMPOSITION (%): LARGE AND MID-CORPORATES (53% OF LOAN BOOK)



LOAN BOOK COMPOSITION (%): SMES (19% OF LOAN BOOK)



STRONG CAPITAL BASE TO SUPPORT 35-40% GROWTH OVER NEXT 12-18 MONTHS



Source: Company/MOSL

## Axis Bank: an investment profile

### Company description

Axis Bank is a private sector bank in India, with a balance sheet size of Rs1.1t. Promoted by UTI in 1994, the bank has a countrywide presence through a network of 749 branches, and extension counters across 454 locations and 3,171 ATMs. Under the leadership of Dr Nayak, the bank has made significant strides in all segments and has emerged as one of the stronger players in the Indian banking space.

### Key investment arguments

- ✍ We expect loan growth of 32% (CAGR, FY08-10E) along with margin expansion to result in NII growth of over 33% over the same period
- ✍ Robust asset quality despite a very fast growth in assets over last couple of years
- ✍ Has built a strong retail network on the platform of best technology and quality manpower

### Key investments risks

- ✍ Fast growth in assets may hurt earnings growth in case of asset quality reversal.

### Recent developments

- ✍ Axis Bank raised Rs 15b of Tier I bonds during 3QFY09

### Valuation and view

- ✍ Core earnings momentum will continue to drive valuations.
- ✍ We expect earnings to grow by 28% CAGR over FY08-10. The stock trades at 1.7x FY09E and 1.5x FY10E BV, and 11x FY09E and 10x FY10E EPS. We reiterate **Buy**.

### Sector view

- ✍ YTD loan growth of 25% and deposit growth of 22%
- ✍ Concerns on slowing economic growth
- ✍ Selective buying with favor for banks with higher earnings visibility and reasonable valuations

#### COMPARATIVE VALUATIONS

		AXIS BANK	HDFC BANK*	ICICI BANK**
P/E (x)	FY09E	10.8	19.1	9.3
	FY10E	9.9	15.1	6.8
P/BV (x)	FY09E	1.7	2.9	0.8
	FY10E	1.5	2.5	0.7
RoE (%)	FY09E	17.1	15.8	7.7
	FY10E	16.4	17.9	9.3
RoA (%)	FY09E	1.3	1.3	0.9
	FY10E	1.1	1.4	1.1

\*Excludes warrant conversion by HDFC in FY10; \*\* Price adjusted for value of key ventures and BV adjusted for investments in those key ventures

#### SHAREHOLDING PATTERN (%)

	DEC-08	SEP-08	DEC-07
Promoter	42.4	42.4	43.0
Domestic Inst	10.5	10.9	8.3
Foreign	34.9	33.3	39.3
Others	12.2	13.4	9.4

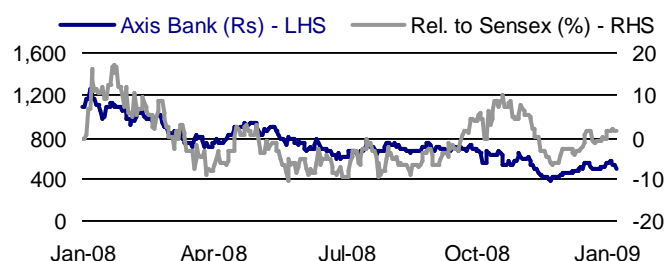
#### EPS: MOST FORECAST VS CONSENSUS (RS)

	MOST FORECAST	CONSENSUS FORECAST	VARIATION (%)
FY09	44.8	39.0	15.1
FY10	49.1	49.1	0.0

#### TARGET PRICE AND RECOMMENDATION

CURRENT PRICE (RS)	TARGET PRICE (RS)	UPSIDE (%)	RECO.
486	954	96.4	Buy

#### STOCK PERFORMANCE (1 YEAR)



<b>INCOME STATEMENT</b>					(Rs Million)
<b>Y/E MARCH</b>	<b>2007</b>	<b>2008</b>	<b>2009E</b>	<b>2010E</b>	<b>2011E</b>
Interest Income	44,617	70,053	108,991	133,106	165,379
Interest Expended	29,933	44,200	72,314	87,246	107,675
<b>Net Interest Income</b>	<b>14,683</b>	<b>25,854</b>	<b>36,677</b>	<b>45,860</b>	<b>57,704</b>
<i>Change (%)</i>	48.2	76.1	41.9	25.0	25.8
Other Income	10,101	17,955	26,508	32,000	37,888
<b>Net Income</b>	<b>24,784</b>	<b>43,808</b>	<b>63,185</b>	<b>77,860</b>	<b>95,592</b>
<i>Change (%)</i>	44.1	76.8	44.2	23.2	22.8
Operating Expenses	12,146	21,549	29,808	35,751	42,857
<b>Operating Income</b>	<b>12,639</b>	<b>22,259</b>	<b>33,376</b>	<b>42,109</b>	<b>52,736</b>
<i>Change (%)</i>	39.5	76.1	49.9	26.2	25.2
Other Provisions	2,674	5,794	9,071	15,506	20,349
<b>PBT</b>	<b>9,965</b>	<b>16,465</b>	<b>24,306</b>	<b>26,603</b>	<b>32,387</b>
Tax	3,375	5,755	8,264	9,045	11,012
<i>Tax Rate %</i>	33.9	35.0	34.0	34.0	34.0
<b>PAT</b>	<b>6,590</b>	<b>10,710</b>	<b>16,042</b>	<b>17,558</b>	<b>21,375</b>
<i>Change (%)</i>	35.9	62.5	49.8	9.5	21.7
Proposed Dividend	1,267	2,146	3,005	3,455	3,974
<b>PPP</b>	<b>12,030</b>	<b>20,057</b>	<b>31,176</b>	<b>39,609</b>	<b>50,236</b>
<i>Change (%)</i>	54.9	66.7	55.4	27.0	26.8

<b>BALANCE SHEET</b>					(Rs Million)
<b>Y/E MARCH</b>	<b>2007</b>	<b>2008</b>	<b>2009E</b>	<b>2010E</b>	<b>2011E</b>
Capital	2,816	3,577	3,577	3,577	3,577
Reserves & Surplus	31,116	84,108	96,634	110,149	126,875
<b>Net Worth</b>	<b>33,932</b>	<b>87,685</b>	<b>100,211</b>	<b>113,726</b>	<b>130,452</b>
<b>Deposits</b>	<b>587,856</b>	<b>876,262</b>	<b>1,139,141</b>	<b>1,458,100</b>	<b>1,822,625</b>
<i>Change (%)</i>	46.5	49.1	30.0	28.0	25.0
<b>CASA Deposits</b>	<b>234,302</b>	<b>400,270</b>	<b>455,656</b>	<b>583,240</b>	<b>729,050</b>
Borrowings	87,060	90,556	122,250	134,475	147,923
Other Liab & Provisions	23,724	41,276	53,658	69,756	90,683
<b>Total Liabilities</b>	<b>732,572</b>	<b>1,095,778</b>	<b>1,415,260</b>	<b>1,776,058</b>	<b>2,191,684</b>
Current Assets	69,183	125,042	134,704	142,626	164,003
<b>Investments</b>	<b>268,972</b>	<b>337,051</b>	<b>438,166</b>	<b>560,853</b>	<b>695,458</b>
<i>Change (%)</i>	24.9	25.3	30.0	28.0	24.0
<b>Loans</b>	<b>368,765</b>	<b>596,610</b>	<b>811,390</b>	<b>1,038,579</b>	<b>1,298,223</b>
<i>Change (%)</i>	65.3	61.8	36.0	28.0	25.0
Net Fixed Assets	6,732	9,229	9,000	10,000	10,000
Other Assets	18,921	27,846	22,000	24,000	24,000
<b>Total Assets</b>	<b>732,572</b>	<b>1,095,778</b>	<b>1,415,260</b>	<b>1,776,058</b>	<b>2,191,684</b>

<b>KEY ASSUMPTIONS</b>					(%)
<b>Y/E MARCH</b>	<b>2007</b>	<b>2008</b>	<b>2009E</b>	<b>2010E</b>	<b>2011E</b>
Deposit Growth	46.5	49.1	30.0	28.0	25.0
Loans Growth	65.3	61.8	36.0	28.0	25.0
Investments Growth	24.9	25.3	30.0	28.0	24.0
Provision Coverage	63.5	50.0	55.0	53.0	55.0
Dividend	45.0	60.0	84.0	96.6	111.1

*E: MOSt Estimates*



**RATIOS**

<b>Y/E MARCH</b>	<b>2007</b>	<b>2008</b>	<b>2009E</b>	<b>2010E</b>	<b>2011E</b>
<b>Spreads Analysis (%)</b>					
Avg. Yield-Earning Assets	7.6	8.5	9.6	9.1	9.0
Avg. Cost - Int. Bear. Liab.	5.4	5.4	6.5	6.1	6.0
Interest Spread	2.2	3.1	3.1	3.0	3.0
Net Interest Margin	2.5	3.1	3.23	3.15	3.2

**Profitability Ratios (%)**

RoE	21.0	17.6	17.1	16.4	17.5
RoA	1.1	1.2	1.3	1.1	1.1
Int. Expended/Int. Earned	67.1	63.1	66.3	65.5	65.1
Other Income/Net Income	40.8	41.0	42.0	41.1	39.6

**Efficiency Ratios (%)**

Op Exp/Net Income*	50.2	51.8	48.9	47.4	46.0
Employee Cost/Op. Exps	31.4	31.1	34.0	34.7	35.5
Business per Empl. (Rs m)	79.2	82.4	85.6	98.8	112.4
Net Profit per Empl. (Rs m)	0.7	0.7	0.8	0.8	0.9

\* Ex treasury

**Asset Liability Profile (%)**

Advances/Deposit Ratio	62.7	68.1	71.2	71.2	71.2
CASA Ratio	39.9	45.7	40.0	40.0	40.0
Invest./Deposit Ratio	45.8	38.5	38.5	38.5	38.2
G-Sec/Investment Ratio	61.1	59.9	71.5	70.2	70.8
Gross NPAs to Advances	1.1	0.7	1.6	3.0	3.9
Net NPAs to Advances	0.4	0.4	0.7	1.4	1.7
CAR	11.6	13.7	12.5	10.8	9.9
Tier 1	6.4	10.2	8.3	7.2	6.6

**VALUATION**

Book Value (Rs)	120	245	280	318	365
Price-BV (x)	4.0	2.0	1.7	1.5	1.3
Adjusted BV (Rs)	117	241	270	292	324
Price-ABV (x)	4.2	2.0	1.8	1.7	1.5
EPS (Rs)	23.4	29.9	44.8	49.1	59.8
EPS Growth	34.5	28.0	49.8	9.5	21.7
Price Earnings (x)	20.8	16.2	10.8	9.9	8.1
OPS (Rs)	44.9	62.2	93.3	117.7	147.4
Price-OP (x)	10.8	7.8	5.2	4.1	3.3

E: MOST Estimates



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**Axis Bank**

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|---|----|
| 1. Analyst ownership of the stock                       | No |
| 2. Group/Directors ownership of the stock               | No |
| 3. Broking relationship with company covered            | No |
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